The Correctional Investigator Canada

2007-2008

Departmental Performance Report

The Honourable Peter Van Loan, P.C., M.P.
Minister of Public Safety

Table of Contents

Section I: Overview
Correctional Investigator's Message 2
Management Representation Statement 4
Summary Information 5
Operating Environment and Context 10
Link to Government of Canada Outcom Area 13

Section II: Analysis of Program Activities by Strategic Outcome
Analysis by Program Activity 14

Section III: Supplementary Information
Table 1: Comparison of Planned to Actual Spending (including FTEs) 15
Table 2: Voted and StatutoryItems 16
Table 3: Travel Policies 16
Table 4: Financial Statements 17

Section IV: Other Items of Interest 27

Section I: Overview

Correctional Investigator's Message

This year marks the 35th anniversary of the Office of the Correctional Investigator (OCI). The creation of an ombudsman office specifically responsible for addressing prisoners' complaints is a recognition that even those who have committed serious crimes must have access to an independent avenue of redress to voice their concerns and ensure that they are subject to fair and humane treatment. Through respecting the human rights of prisoners, a society conveys a strong message that everyone—regardless of their circumstances, race, social status, gender or religion—is to be treated lawfully, with respect and dignity.

As Canada's federal prison Ombudsman offering independent oversight of federal Corrections, the Office of the Correctional Investigator (OCI) contributes to public safety and the promotion of human rights by providing independent and timely review of offender complaints. The OCI makes recommendations that assist in the development and maintenance of an accountable federal correctional system that is fair, humane and effective. In order to achieve this result for Canadians, the OCI monitors and investigates the acts, omissions, decisions and recommendations of the Correctional Service of Canada (CSC), to help ensure that CSC carries out its statutory mandate in compliance not only with its own policies and procedures, but also with its domestic and international legal and human rights obligations.

This 35th anniversary of the OCI is timely as it coincides with the 60th anniversary of the *United Nations Universal Declaration of Human Rights*. On December 10, 2007, the UN Secretary-General launched a year-long campaign to celebrate this milestone. The theme of the campaign is "dignity and justice for all of us". To pay special tribute to this anniversary, Ms. Louise Arbour, UN High Commissioner for Human Rights (UNHCHR), reached out to all national human rights institutions around the world to focus their attention on the situation of persons deprived of their liberty in prisons and other places of detention. The Office of the UNHCHR invited the national human rights institutions, including specialized ombudsman offices such as the OCI, to undertake activities promoting dignity and justice for detainees throughout 2008.

This past year, my Office has addressed almost 6400 individual offender inquiries and complaints which is a decrease from previous years. This decrease illustrates the vulnerability of the Office to workload pressures that challenge its ability to effectively carry out its legislative mandate.

During the past fiscal year, staff was reassigned to conduct two extensive investigations into inmate deaths. This reallocation of resources, paired with unanticipated staff turn-over, impacted on the daily operations of this Office and its ability to process increasing numbers of offender inquiries and complaints. Access to Ombudsman services is key to the Office's fulfilment of its mandate. This year, the Office must acknowledge that its access to the offender population has been compromised and fell short of meeting increasing demands. We will continue to pursue additional resources to ensure the Office is less vulnerable to workload pressures and fully meets its important legislative mandate.

I will take this opportunity to convey my sincere appreciation and admiration for the work my staff has accomplished this year, as it has been an especially challenging time. As indicated above, this past year, two extensive investigations into inmate deaths resulted in increased workload for all OCI staff. These two investigations, which will be discussed in more detail later in this report, were a follow-up to our *Deaths in Custody Study* which was publicly released on June 27, 2007.

The *Deaths in Custody Study* examined all reported deaths, due to factors other than natural causes, occurring over a five-year period in Canadian penitentiaries. The study examined 82 reported suicides, homicides, and accidental deaths in custody from 2001 to 2005. The report provided evidence that the Correctional Service must increase efforts to keep a corporate focus on recommendations related to deaths in custody. It documented a failure to consistently incorporate lessons learned and implement corrective action over time and across regions, as such the same errors and recommendations are being made time and again.

The Correctional Service of Canada indicated a willingness to address many of the *Deaths in Custody Study*'s findings, as well as our recommendations included in our two separate investigative reports into inmate deaths. The Correctional Service committed to improving the timeliness and effectiveness of the investigation process, and to enhancing its mental health capacity and responsiveness to incidents of violence within its institutions.

Again this year, limited gains have been made on several other key systemic issues identified by this Office, including addressing gaps in mental health services, removing systemic barriers that prevent timely safe reintegration of Aboriginal offenders into the community, enhancing the delivery of appropriate programs and services to women offenders, and ensuring the effectiveness of its offender grievance process.

In the next fiscal year, this Office will continue to pursue resolution of key areas of concern that restrict the Correctional Service's ability to maximize its positive impact on public safety. The OCI continues to be committed to fostering a collaborative, respectful and productive relationship with the Correctional Service, and to work diligently to carry out its challenging mandate with the highest degree of professionalism.

Management Representation Statement

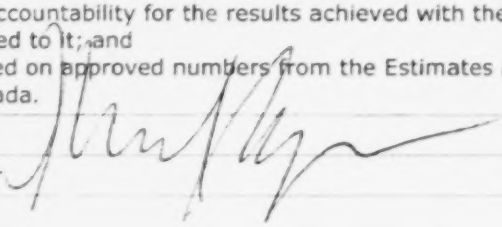
I submit for tabling in Parliament, the 2007-08 Departmental Performance Report of the Office of the Correctional Investigator.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007-08 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome(s) and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Name: Howard Sapers

Title: Correctional Investigator



Summary Information

Agency's Reason for Existence

The Office of the Correctional Investigator (OCI) provides Canadians with timely, independent, thorough and objective monitoring of their federal correctional system to ensure that it remains safe, secure, fair, equitable, humane, reasonable and effective. Essentially, its oversight role is to ensure that the Correctional Service of Canada (CSC) carries out its statutory mandate in compliance with its domestic and international legal and human rights obligations.

Financial Resources (by $ thousands)

Planned Spending	Total Authorities	Actual Spending
3,132	3,373	2,754

Human Resources

	2007-08	
Planned*	**Actual**	**Difference**
22	25	3

* Additional funding was received from the Management Reserve which increased the organization's planned figure to 24 and resulted in an actual difference of one Full-Time Equivalent.

Departmental Priorities

Name	Type	Performance Status
1. Investigate individual offender issues	On-going	Met
2. Investigate and monitor systemic offender issues	On-going	Not met
3. Monitor, evaluate, and provide representations on CSC management of mandated issues (s.19 investigations and Use of Force incidents)	On-going	Met
4.Investigate and provide leadership on specifically identified issues (Women and Aboriginal Offenders)	On-going	Met

Program Activities by Strategic Outcome

	Expected Results	Performance Status	2007-2008		Contributes to the following priority
			Planned Spending	Actual Spending	
Strategic Outcome: The problems of offenders in the federal correctional system are identified and addressed in a timely and reasonable fashion.					
Program Activity Title Oversight of correctional operations	To provide accessible and timely Ombudsman services to federal offenders	1. Level of service: Exceeded 2. Accessibility: Not met 3. Timeliness: Exceeded	3,132	2,754	All priorities

Performance in 2007-2008

Priority 1

In 2007-2008, the OCI recorded 6,396 inquiries and complaints from or on behalf of federal offenders, compared to 7,662 during the fiscal year 2006-2007. OCI staff conducted 2,039 interviews with federal offenders in 2007-2008 as opposed to 2,701 interviews in the previous fiscal year.

As indicated previously, the reductions in processing offender inquiries and complaints was due to staff being reassigned to conduct two extensive investigations into inmate deaths. This reallocation of resources impacted on the daily operations of this Office and its ability to address increasing number of offender inquiries and complaints.

This year the level of OCI resources was insufficient to meet the offender demand for its Ombudsman services. This reinforces the need for the OCI to secure additional resources to ensure that priority investigations will not unduly affect and compromise the OCI daily operational requirements to fulfil its mandate by making its services both accessible and timely.

At the same time, the OCI must continue to respond to recurring complaints while considering innovative and proactive strategies to resolve systemic issues. For example, the "areas of concern" addressed with institutional and regional managers allow for the OCI's ongoing review of the Service's performance on a number of specific systemic issues and to submit recommendations accordingly.

In 2007-2008, staff of the OCI spent 297 days within federal correctional institutions, as opposed to 407 days in the previous fiscal year. Again, this decrease in our institutional presence and in the number of individual interviews has been the result of internal reallocation of resources to conduct two major investigations, as well as unanticipated staff turn-over.

Discussions are ongoing with Treasury Board Secretariat to find solutions to the gap between our resourcing levels and workload pressures.

In addition to insufficient resources, the OCI operates in an extremely competitive environment in which candidates with the requisite investigative and analytical competencies are sought and hired more rapidly by other larger government departments whose infrastructure is sufficiently nimble to outperform our human resource service providers. The OCI will continue to work in a collaborative manner with Public Safety Canada and Public Service Commission partners with a view to addressing this issue in a more sustainable manner.

Priority 2

The OCI remains concerned with the slow pace of progress made by the Correctional Service of Canada, with regard to a number of long standing systemic issues, despite significant efforts and a broad spectrum of recommendations by the OCI towards improvements or resolution.

Among the key issues that remain of concern are: (1) the delivery of health care services that meet professionally accepted standards; (2) the implementation of an internal grievance system that meets the legal requirement "for fairly and expeditiously resolving offenders' grievances"; (3) full implementation of CSC's harassment policy; (4) the development of risk assessment tools that do not unjustifiably over-classify women and Aboriginal offenders; (5) the reduction of offenders, often mentally ill, serving a significant part of their penitentiary sentence in administrative segregation; (6) significant improvements in safe and timely reintegration of Aboriginal offenders into the community: (7) implementation of a more humane and less restrictive alternative to long-term segregation of women; (8) unreasonable delays in actioning recommendations from investigations into offender death and serious injuries; (9) the high number of delays in presenting cases to the National Parole Board for consideration; and, (10) the introduction of an enhanced harm reduction program to curtail the spread of infectious diseases such as Hepatitis C and HIV within and outside the penitentiary walls.

Priority 3

Section 19 of the *Corrections and Conditional Release Act* requires that the Office review all investigations conducted by the Correctional Service of Canada following the death or serious bodily injury to an inmate (Section 19 Investigations). The OCI is also engaged in conducting reviews on all institutional incidents involving the Use of Force, in keeping with the recommendation of the 1996 Arbour Commission of Inquiry.

With respect to the OCI reviews of both Section 19 Investigations and Use of Force interventions, the OCI pursues all issues of on-going concern with CSC officials at the appropriate level.

A key objective in the OCI's oversight of correctional operations is to ensure that federal offenders are held in safe and secure custodial environments.

Accordingly, a major concern is that CSC staff use force against inmates only when there is no other viable option and then, only to the extent required in the circumstances.

The security and safety of the person is a fundamental protection offered by the *Canadian Charter of Rights and Freedoms*. Checks and balances such as those provided by the OCI are perhaps of greater importance in a correctional environment, where the power relationship between the keepers and the kept are exceptionally unequal.

In 2007-2008, the OCI identified that the total number of incidents involving the application of force against inmates remained consistent with the previous year. There were, however, noteworthy increases in some regions and decreases in others. While such fluctuations across regions have come to be expected, the total number of force related incidents remains of concern. CSC places significant focus on the "changing inmate profile" as the key variable in explaining the level of violence within federal institutions. While the OCI does not question that such change is important, it continues to believe that greater focus on dynamic security and alternate dispute resolution methods, especially at higher security levels, must be a central component in reducing that level of violence.

The Office has continued to identify and work with CSC with respect to the emergence of patterns of problematic applications of force. It has also pursued at every opportunity, through on-going discussion, its position that CSC must fully implement its Mental Health Strategy. By extension, this will positively impact on its use of force with respect to mentally disordered offenders.

The Use of Force portfolio within the OCI has struggled with the continuing Use of Force volume pressures versus the resources available to manage this important aspect of the Office's mandate. Compliance targets relating to timeliness of OCI reviews of Use of Force incidents have been an on-going priority but they are, nonetheless, susceptible to the significant surges in reported incidents that occur frequently in any reporting period. The Office is currently pursuing sources of funding to assist in meeting established Compliance targets.

As in past years, another dimension of the OCI's focus on the safety and security of federal institutions is on the timeliness and quality of the Service's Section 19 Investigative process.

For many years now, the OCI has maintained that the timeliness and quality of CSC's investigative process, including meaningful analysis of the findings and enterprise wide sharing of lessons learned, was absolutely critical in lowering the level of institutional violence. While the quality of investigative reports has generally improved, the OCI continues to be concerned with both the timeliness of the over-all CSC process for reviewing in-custody deaths and the extent to which CSC has used the results of those reviews to cause measurable improvements to its operations.

Priority 4

The OCI's interventions and the active support of several key stakeholders have led to some progress by the Correctional Service in addressing some long standing systemic issues.

Foremost among these is the recognition by CSC that their initial classification instrument for women offenders was discriminatory and resulted in higher than needed security classifications. As a result, the Correctional Service is developing a new initial classification instrument that will be gender sensitive and which will better recognize the unique needs and circumstances of racialized women and women living with disabilities.

CSC has also been able to increase accommodation for women upon release to the community in the Atlantic and Pacific regions. These regions were previously underserved. Additionally, CSC has recognized that it must address the employment and employability needs of women offenders in order to reduce the likelihood of re-offending. As such, the Service conducted an employment needs survey for incarcerated women, which resulted in the development and implementation of a National Employment Strategy Framework for this population.

However, the OCI has been less successful in influencing CSC into meaningful corrective action on a number of critical issues. Among these, the OCI is concerned that there has been a significant increase in the number of women offenders returning to the community on Statutory Release, rather then on Day or Full Parole over the last two years. During the same period, there has been a corresponding increase in the number of waivers and postponements of National Parole hearings by women offenders, especially Aboriginal offenders. Moreover, the OCI continues to be concerned regarding the delivery of mental services to women offenders and the management of high need women offenders.

The plight of Aboriginal offenders in the federal correctional system has been a key issue for the OCI for at least a decade. Countless recommendations have been made during that period to address systematically discriminatory correctional practices and improve treatment offered by the Correctional Service of Canada.

For several years the Office of the Correctional Investigator has strongly recommended the Service develop initiatives that would enhance the capacities to provide effective interventions for First Nations, Métis and Inuit Offenders. Partly in response to these recommendations the Correctional Service Canada introduced the National Action Plan for Aboriginal Corrections in the fall of 2006. The objectives of the Aboriginal Strategy are to address the specific needs of all Aboriginal offenders and to help the CSC move forward in three key areas:

- implement initiatives within a continuum of care to provide culturally appropriate interventions that address the specific criminogenic needs of First Nations, Métis and Inuit men and federally sentenced women offenders;
- enhance horizontal collaboration and coordination within the CSC, within the Public Safety portfolio, and with other levels of government, Aboriginal organizations and stakeholders, to contribute to Aboriginal community development and to help Aboriginal offenders initiate and sustain their healing journeys; and
- address systemic barriers internally and increase CSC cultural competence.

In spite of the above, the overall situation for the great majority of Aboriginal offenders has not significantly improved. The Office has detailed a persistent pattern of disadvantaged outcomes resulting from existing policies, procedures, practices and organizational structures, such as the following:

- Inmates of First Nations, Métis or Inuit heritage face routine over-classification, resulting in their placement in minimum-security institutions at only half the rate of non-Aboriginal offenders.
- The over-classification for Aboriginal women is even worse. For example, at the end of September 2007, native women made up 45 percent of maximum-security federally sentenced women, 44 percent of the medium-security population and only 18 percent of minimum-security women.
- Placement in a maximum-security institution and segregation limits access to rehabilitative programming and services intended to prepare inmates for release.
- This over-classification is a problem because it means inmates often serve their sentences far away from their family, their community, and the valuable support of friends and elders.
- Aboriginal offenders are placed in segregation more often than non-Aboriginal offenders.
- Aboriginal inmates are released later in their sentences than other inmates.
- The proportion of full parole applications resulting in National Parole Board reviews is lower for Aboriginal offenders.
- The use of work releases has dropped dramatically, from 1,044 in 2003/04 to 655 in 2007/08—a 37 percent decrease. Work releases for Aboriginal offenders dropped even more dramatically—by 71 percent, from 160 to 47, in the same period. The Correctional Service is failing to use an effective reintegration tool with an almost 100 percent success rate—work releases.

Aboriginal correctional issues continue to be a key area of concern for the OCI. We will continue, with the cooperation of our numerous stakeholders in the Aboriginal community, to engage the Correctional Service in a constructive and productive dialogue on addressing systemic barriers, and the adoption of culturally responsive correctional practices and strategies.

Operating Environment and Context

The mandate of the Correctional Service of Canada (CSC) is to manage the sentence of the court consistent with the rule of law, respectful of individual and collective human rights. While giving primacy to the protection of the public, Canadians legitimately expect a correctional system that reflects their values, provides safe and humane custody which supports the offender's successful reintegration into society.

The primary function of the Correctional Investigator, as an Ombudsman for federal offenders, is to independently investigate and facilitate resolution of individual offender issues. In 2007-2008, the Office's investigative staff managed more than six thousand offender complaints, spent close to three hundred working days in federal institutions, interviewed more than two thousands offenders and at least half as many institutional staff. As in years past, it is with the resolution of the individual offender issues at the institutional level where the OCI has achieved its best performance in terms of providing expected results.

Limited gains have been made on several key systemic issues identified by the OCI, including addressing gaps in mental health services, removing systemic barriers that prevent timely safe reintegration of Aboriginal offenders into the community, and ensuring the delivery of appropriate programs and services to women offenders.

Moreover, over the last decade, the OCI has become increasingly concerned about the high number of deaths and self-inflicted injuries in federal institutions.

The over-representation of offenders with mental health issues has affected the quality of institutional life, with the safety and security of both inmates and staff. Evidence can be found, among a multitude of indicators, such as in the number and duration of placements in administrative segregation or similar custody arrangements, the increases in the number of incidents of institutional violence, and in the number of incidents where force is used by correctional staff against offenders. In turn, all of these manifestations result in a growing number of highly sensitive and complex issues being brought to the attention of the OCI, that are either directly about or relate to the gaps in the treatment of offenders suffering from mental health issues.

Another challenge for the OCI stems from CSC's lack of progress in significantly improving the correctional outcomes for Aboriginal Canadians. Aboriginal offenders continue to be overrepresented within the offender population. They also continue to be overrepresented in higher security institutions, due in part to the culturally insensitive security classification tools still used by CSC, despite being denounced as unfair and ineffective not only by the OCI, but also by many partners involved in Aboriginal corrections and academic observers.

Moreover, Aboriginal offenders continue to be overrepresented in the segment of the offender population that serves the bulk or its entire sentence within the penitentiary, rather than benefiting from a timely conditional release to their community. They also continue to be overrepresented among the offender population whose conditional release is suspended and/or revoked before the expiry of their warrant.

The Office remains concerned about the significant barriers to the safe reintegration of women offenders, such as the overall lack of access to mental health programming specifically designed to meet the needs of women. As well, there is not enough meaningful employment and employability programming, and inadequate accommodation and support for women offenders upon their release into the community. Access to programs in maximum security units remains problematic. Systemic barriers and limited opportunities persist for Aboriginal women offenders to reintegrate in a timely fashion into their home communities as evidenced by the disproportionate number of Aboriginal offenders on conditional release.

In the OCI Annual Report 2005-2006, the Office raised its concern about the number of similar recommendations made year after year by the Correctional Service of Canada's national Board of Investigations, provincial coroners, and medical examiners reviewing inmate deaths. The OCI undertook to conduct a comprehensive review of reports and recommendations dealing with deaths in custody and other matters. The Office retained the services of a senior academic from the University of Ottawa to conduct the project on deaths in custody.

Subsequent to the *Deaths in Custody Study*, the Office conducted two detailed investigations involving two inmate deaths. The two investigative reports raised concerns that had been previously discussed in the *Deaths in Custody Study*, as well as in previous OCI Annual Reports.

First, the Office investigated the death of a 52-year-old First Nations offender who, at the time of his death, was in the Pathways Healing Unit in a medium-security institution. In the early hours of Tuesday, October 3, 2006, the inmate inflicted a wound to his left arm, which lacerated his brachial artery. He pressed his cell emergency button, which prompted the correctional officer on duty to attend his cell and to call for additional staff assistance. By the time paramedics arrived, approximately 33 minutes after the inmate had pushed his cell emergency button, they found him unconscious on the floor of his cell and not breathing. The paramedics attempted to revive him with defibrillator equipment and continued their attempts to revive him while he was transported, in leg irons, to an outside hospital. He was declared dead a short time later.

The internal CSC investigations concluded that the CSC staff who attended to this medical emergency failed to respond adequately as per policy, and did little to attempt to save the inmate's life during the 33-minute period, except to call for an ambulance 10 minutes after he pressed his cell emergency button.

The Office concluded that, while in care of the Correctional Service, the inmate self-inflicted a life-threatening wound to his left arm, and subsequently called for help by pressing his cell emergency button. Although assistance was eventually rendered, it fell short of what must be expected from the CSC.

The second investigation conducted by the OCI concerned the death of a 19-year-old woman, Ms. Ashley Smith. On October 19, 2007, Ms. Smith was pronounced dead at a Kitchener hospital. At the time of her death, she was an inmate at Grand Valley Institution for Women (GVI). As a result of her tragic death, three front-line staff and one correctional manager were charged with criminal negligence causing death.

Shortly after the death of Ms. Smith, pursuant to section 170 of the *Corrections and Conditional Release Act* (*CCRA*), the Office reviewed the circumstances surrounding her death. On December 21, 2007, the Office provided the Correctional Service and the Department of Public Safety with an Interim Report into the Death of Ashley Smith. The Final Report into the Death of Ashley Smith was provided to the Minister of Public Safety on June 24 2008. The criminal investigation into her death is ongoing at the time of writing of this report and, therefore, very limited information is available to the public.

Both reports raised troubling questions about the ability of the Correctional Service to fulfil its core mandate to provide safe and humane care and custody for inmates.

Externally, the Office has maintained its criminal justice outreach and public education activities. Both OCI management and staff have established linkages with many stakeholders and disseminated information about our agency's mandate, role and responsibilities to various organizations at the local, provincial, national and international level.

Internally, the Office underwent a significant staff turn-over. Recruitment of professional staff with extensive correctional and investigative experience and skills continues to be challenging. A Human Resource (HR) Strategic Plan has been developed, and with the assistance of the OCI's HR providers, several staffing actions are currently underway.

Throughout fiscal year 2007-2008, the Office continued to engage the CSC's senior managers, at both the regional and national level, on a broad spectrum of on-going and emerging correctional issues. In the course of this dialogue, the OCI has clearly expressed its position, provided input, advice and recommendations for improvement or resolution not only on individual and systemic issues, but also regarding policy development and review.

In the final analysis, the ultimate aim of our efforts is the achievement of the OCI's Strategic Outcome, which is to ensure that the problems of offenders in the federal correctional system are identified and resolved in a timely, fair and reasonable fashion.

Link to Government of Canada Outcome Area

As Canada's federal prison Ombudsman offering independent oversight of federal Corrections, the Office of the Correctional Investigator (OCI) contributes to public safety and the promotion of human rights by providing independent and timely review of offender complaints. Public safety is enhanced by ensuring that offenders are treated fairly, provided the necessary assistance to become law-abiding citizens, and safely reintegrated into society in a timely and supported fashion. As part of the Public Safety Portfolio, the OCI contributes to safe and secure communities.

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Analysis of by Program Activity

Strategic Outcome: The problems of offenders in the federal correctional system are identified and resolved in a timely and reasonable fashion.

Program Activity Name: Oversight of correctional operations

Financial Resources (by $ thousands)

Planned Spending	Total Authorities	Actual Spending
3,132	3,373	2,754

Human Resources

	2007-08	
Planned	**Actual**	**Difference**
22*	25	3

* Additional funding was received from the Management Reserve which increased the organization's planned figure to 24 and resulted in an actual difference of one Full-Time Equivalent.

Status on Performance			2007–2008	
			Planned Spending	**Actual Spending**
Strategic Outcome: The problems of offenders in the federal correctional system are identified and addressed in a timely and reasonable fashion				
Program Activity Oversight of correctional operations	**Expected Result** To provide accessible and timely Ombudsman services to federal offenders	**Performance Status** Level of service: Exceeded Accessibility: Not met Timeliness: Exceeded	3,132	2,754

Section III: Supplementary Information

Departmental Link to Government of Canada Outcome Areas (for DPRs)

Strategic Outcome: The problems of offenders in the federal correctional system are identified and addressed in a timely and reasonable fashion.				
	Actual Spending 2007-08			**Alignment to Government of Canada Outcome Area**
	Budgetary	**Non-budgetary**	**Total**	
Oversight of correctional operations	2,754		2,754	Safe and secure communities

Table 1: Comparison of Planned to Actual Spending (including FTEs)

($ millions)	**2005–2006 Actual**	**2006–2007 Actual**	**2007–2008**			
			Main Estimates	**Planned Spending**	**Total Authorities**	**Actual**
Oversight of correctional operations	3,115	3,156	3,132	3,132	3,373	2,754
Total	3,115	3,156	3,132	3,132	3,373	2,754
Less: Non-respendable revenue	0	0	N/A	0	N/A	0
Plus: Cost of services received without charge	258	440	N/A	394	N/A	432
Total Departmental Spending	3,373	3,596	N/A	3,508	N/A	3,186
Full-time Equivalents	24	22	N/A	22	N/A	25

Table 2: Voted and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007–2008			
		Main Estimates	Planned Spending	Total Authorities	Actual
40	Operating expenditures	2,773	2,773	3,014	2,754
N/A	Capital expenditures	N/A	N/A	N/A	N/A
N/A	Grants and contributions	N/A	N/A	N/A	N/A
N/A	Minister of XXX—Salary and motor car allowance	N/A	N/A	N/A	N/A
(S)	Contributions to employee benefit plans	359	359	359	435
	Total	3,132	3,132	3,373	3,189

Table 3: Travel Policies

Comparison to the Treasury Board of Canada Secretariat *Special Travel Authorities*

The Office of the Correctional Investigator follows the Treasury Board of Canada Secretariat "Special Travel Authorities".

Comparison to the Treasury Board of Canada Secretariat *Travel Directive*, Rates and Allowances

The Office of the Correctional Investigator follows the Treasury Board of Canada Secretariat "*Travel Directive,* Rates and Allowances".

Table 4: Financial Statements

Statement of Management Responsibility (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008, and all information contained in these statements rests with the Office of the Correctional Investigator (OCI) management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of OCI's financial transactions. Financial information submitted to the Public Accounts of Canada and included in the OCI's Departmental Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the OCI.

The financial statements of the OCI have not been audited.

Howard Sapers
Correctional Investigator
Ottawa, Canada

Date 31/07/2008

Dawn McAllister

Dawn McAllister
Senior Financial Officer

Date 2008-08-06

Statement of Financial Position (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

At March 31 (in dollars)	**2008**	2007
Assets		
Financial Assets		
Accounts receivable and advances (Note 4)	**2,441**	33,602
Total Assets	**2,441**	**33,602**
Liabilities and Equity of Canada		
Liabilities		
Accounts payable and accrued liabilities	**129,364**	135,858
Vacation pay and compensatory leave	**90,980**	148,380
Employee severance benefits (Note 5)	**460,169**	446,472
Total Liabilities	**680,513**	**730,710**
Equity of Canada	**(678,072)**	(697,108)
Total Liabilities and Equity of Canada	**2,441**	**33,602**

The accompanying notes form an integral part of these financial statements

Variance	**0.07**	**0.22**

Statement of Equity of Canada (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

For the Year Ended March 31 (in dollars)	**2008**	2007
Equity of Canada, beginning of year	**(697,108)**	(679,816)
Net cost of operations	**(3,425,097)**	(3,643,933)
Current year appropriations used (Note 3)	**3,122,200**	3,155,893
Revenue not available for spending (Note 3)	**(10)**	(35)
Refunds of previous year expenditures (Note 3)	**(77,519)**	(876)
Change in net position in the Consolidated Revenue Fund (Note 3)	**(32,871)**	32,102
Services provided without charge by other government departments (Note 6)	**432,333**	439,557
Equity of Canada, end of year	**(678,072)**	(697,108)

The accompanying notes form an integral part of these financial statements

Statement of Operations (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

For the Year Ended March 31 (in dollars)	**2008**	2007
Expenses		
Salaries and employee benefits	**2,652,915**	2,783,915
Accommodation	**306,603**	261,074
Professional and special services	**179,915**	293,588
Travel and relocation	**176,532**	230,336
Communication	**49,012**	44,140
Equipment	**27,813**	4,276
Utilities, material and supplies	**20,421**	15,939
Information	**6,049**	5,603
Repairs	**3,174**	2,118
Equipment rentals	**2,673**	2,678
Other	**-**	301
Total Expenses	**3,425,107**	3,643,968
Revenues	**10**	35
Net Cost of Operations	**3,425,097**	3,643,933

The accompanying notes form an integral part of these financial statements

Statement of Cash Flow (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

For the Year Ended March 31 (in dollars)	**2008**	2007
Operating activities		
Net Cost of Operations	**3,425,097**	3,643,933
Non-cash items:		
Services provided without charge by other government departments (Note 6)	**(432,333)**	(439,557)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	**(31,161)**	7,367
Decrease (increase) in liabilities	**50,197**	(24,659)
Total Cash used by Operating Activities	**3,011,800**	3,187,084
Financing activities		
Net cash provided by Government of Canada (Note 3(c))	**(3,011,800)**	(3,187,084)

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements (unaudited)

OFFICE OF THE CORRECTIONAL INVESTIGATOR

1. Authority and purpose

The ***OCI*** was established in 1973 pursuant to *Part II of the Inquiries Act*. With the proclamation in November 1992 of Part III of the *Corrections and Conditional Release Act*, this is now the enabling legislation. The mandate of the Correctional Investigator, as defined by this legislation, is to function as an Ombudsman for federal offenders. The Correctional Investigator is independent of the Correctional Service of Canada and may initiate an investigation on receipt of a complaint by or on behalf of an offender, at the request of the Minister or on his own initiative. The Correctional Investigator is required by legislation to report annually through the Minister of Public Safety to both Houses of Parliament.

In addition, Section 19 of the *Corrections and Conditional Release Act* requires that the Correctional Service of Canada "where an inmate dies or suffers serious bodily injury" conduct an investigation and provide a copy of the report to the Correctional Investigator.

2. Significant accounting policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations
The Office is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Office do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) Net Cash Provided by Government
The Office operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Office is deposited to the CRF and all cash disbursements made by the Office are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(c) Change in net position in the Consolidated Revenue Fund
The change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non respendable revenue recorded by the Office. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

2. Significant accounting policies (continued)

(d) Expenses

Expenses are recorded on the accrual basis:

- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Services provided without charge by other government departments for accommodation and the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

(e) Employee future benefits

Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Office's contributions to the Plan are charged to expenses in the year incurred and represent the total obligation to the Plan. Current legislation does not require the Office to make contributions for any actuarial deficiencies of the Plan.

Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(f) Receivables

Accounts receivables are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(g) Measurement uncertainty

The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant item where an estimate is used is the liability for employee severance benefits. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary Appropriations

The Office receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Office has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used:

(in dollars)	2008	2007
Net cost of operations	3,425,097	3,643,933
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Add (Less):		
Refunds of previous year expenditures	77,519	876
Adjustments of accounts payable at year end	8,284	-
Employee severance benefits	(13,697)	(38,694)
Vacation pay and compensatory leave	97,400	(10,700)
Revenue not available for spending	10	35
Services provided without charge by other government departments	(432,333)	(439,557)
	(302,897)	(488,040)
Current year appropriations used	3,122,200	3,155,893

(b) Appropriations provided and used:

(in dollars)	2008	2007
Program expenditures - Vote 55	3,067,391	2,903,757
Less:		
Lapsed appropriations	(313,555)	(72,862)
	2,753,836	2,830,895
Add Statutory amounts:		
Contributions to employee benefits plan	368,364	324,998
Current year appropriations used	3,122,200	3,155,893

3. Parliamentary Appropriations (continued)

(c) Reconciliation of net cash provided by Government to current year appropriations used:

(in dollars)	2008	2007
Net cash provided by Government	3,011,800	3,187,084
Revenue not available for spending	10	35
Refunds of previous year expenditures	77,519	876
	3,089,329	3,187,995
Change in net position in the Consolidated Revenue Fund		
Adjustments of accounts payable at year end	8,204	-
(Increase) decrease in accounts receivable	31,161	(7,367)
Increase (decrease) in accounts payable and accrued liabilities	(6,494)	(24,735)
	32,871	(32,102)
Current year appropriations used	3,122,200	3,155,893

4. Accounts Receivable and Advances

The following table presents details of accounts receivable and advances:

(in dollars)	2008	2007
Receivables from other Federal Government departments and agencies	1,341	33,002
Employee advances	1,100	600
Total	2,441	33,602

5. Employee Benefits

(a) Pension benefits

The Office's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Office contribute to the cost of the Plan. The 2007-08 expense amounts to $268,537 ($324,998 in 2006-07), which represents approximately 2.1 times the contributions by employees.

The department's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

5. Employee Benefits (continued)

(b) Severance benefits

The department provides severance benefits to its employees based on eligibility, years of service and final salary. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

(in dollars)	2008	2007
Accrued benefit obligation, beginning of year	**446,472**	407,778
Accrued expense for the year	**13,697**	38,694
Accrued benefit obligation, end of year	**460,169**	446,472

6. Related party transactions

The Office is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The Office enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Office received services which were obtained without charge from other Government departments as presented in part (a).

(a) Services provided without charge:

During the year the Office received service without charge from other departments. These services have been recognized in the Office's Statement of Operations as follows:

(in dollars)	2008	2007
Accommodation	**280,017**	261,074
Employer's contribution to the health and dental insurance plans	**152,316**	178,483
	432,333	439,557

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the Office's Statement of Operations.

(b) Payables outstanding at year-end with related parties:

(in dollars)	2008	2007
Accounts payable to other government departments and agencies	**30,939**	37,751

7. Comparative information

Comparative figures have been reclassified to conform to the current year's presentation.

Section IV: Other Items of Interest

Other Items of Interest

4.1 Government on-line

Website: http://www.oci-bec.gc.ca
Email: org@oci-bec.gc.ca

4.2 Statutes and Regulations

Corrections and Conditional Release Act, S.C. 1992 Part 3

4.3 References

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Manuel Marques	Director, Corporate Services and Planning	P.O. Box 3421 Station "D" Ottawa, Ontario K1P 6L4	(613) 990-2692	(613) 990-9091